WEEKLY ECONOMIC REVIEW

December 23, 2005

The US Senate narrowly defeated a bill to open Alaska's Arctic National Wildlife Refuge to oil drilling this week. Discussions regarding the Alaska Refuge as a major source of oil has been occurring for the past few decades, and have been rejuvenated as of late with the support of the Bush Administration. The opening of the Arctic refuge is seen to help ease the rising oil prices, and aid with the US dependency on oil imports. This bill is likely to be revamped and resurface again.

Canada's inflation rate fell to 2.0 per cent in November from 2.6 per cent in October. The decline was largely attributable to lower oil prices in November. Alberta's inflation was at 2.7 per cent in November, but has averaged 2.1 per cent so far this year.

In the first 10 months of 2005 Alberta's retail sales increased by 12.0 per cent, nearly double the Canadian average growth of 6.4 per cent. Also, Alberta's wholesale trade increased by 16.4 per cent, compared to the Canadian average of 5.7 per cent.

Cdn Dollar (C¢/US$)

Dec 23, 2005	85.8.¢
Dec 16, 2005	86.5¢
2005-06 YTD	82.5¢

WTI Oil $US/bbl

Dec 22, 2005	$58.28
Dec 15, 2005	$59.99
2005-06 YTD	$58.84

Nymex Natural Gas C$/mcf*

January Contract

Dec 23, 2005	$14.25
Dec 16, 2005	$15.64

*Estimate based on Nymex Futures Market Price

Average weekly earnings for October reported Alberta having the highest weekly wages ($783.13). In the first 11 months of 2005, Alberta average wages have increased 5.3 per cent from average earnings last year, whereas the Canadian average wages have increased only 3.0%.

Natural gas prices saw a decline in prices this week, on forecasts of warmer-than-normal weather in January. Oil prices traded in a fairly narrow range this week.

Economic Indicators Released this Week	Reference Period	Month/Previous Month	Month/Previous Year's Month	Year-to-date[1]
Consumer Price Index (1997=100)	**November**			
Alberta	136.1	-0.1%	2.7%	2.1%
Canada	128.2	-0.2%	2.0%	2.2%
Retail Trade ($ millions)	**October**			
Alberta	4,139	0.4%	9.9%	12.0%
Canada	30,994	0.6%	4.5%	6.4%
Wholesale Trade ($ millions)	**October**			
Alberta	4,777	1.8%	16.5%	16.4%
Canada	40,611	2.2%	8.7%	5.7%
Average Weekly Earnings ($)	**October**			
Alberta	783.13	0.7%	6.2%	5.3%
Canada	738.73	0.2%	4.4%	3.0%

Source: Statistics Canada

[1]Year-to-date 2005 compared to the same time period in 2004. For example: January-October 2005 versus January-October 2004